

**ADAMS,
MARTIN
& Associates PA**
Tax and Financial Consultants

3801 Barrett Drive, Suite 201 / Raleigh, NC 27609 / 919.781.3581 / Fax: 919.881.0611 / www.amacpa.com

January 2, 2008

Holmes P. Harden
PO Box 19764
Raleigh, NC 27619

Re: International Heritage Inc

Dear Holmes:

Enclosed is our final fee application with attachments for the bankruptcy estate referenced above. We appreciate your help filing these.

For consideration when filing the final distribution in the bankruptcy estate, we have three boxes of debtor records at our office.

We appreciate the opportunity to work with you. If we can be of further assistance, please contact me.

Sincerely,


Craig A. Adams, CPA

Enclosures

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International Heritage, Inc
c/o Mr. Holmes Harden, Trustee
P O Drawer 19764
Raleigh, NC 27619

Invoice Date: December 31, 2007
Invoice Number: 00203226
Client Number: 9002 007

For professional services rendered:

Professional services rendered for the period December 6, 2006 through November 30, 2007 for the following:

Preparation of 2006 Federal Form 7004 and North Carolina Form D-410P, Applications for Extensions of Time for Filing the Estate Tax Returns for International Heritage, Inc..

Preparation of the 2006 Corporate Federal and North Carolina Income Tax Returns.

See attached billing summary and detail.

Chapter 7 was filed on November 25, 1998.

Order to employ Adams, Martin & Associates, PA as Certified Public Accountants was authorized on January 8, 1999.

Payment is requested upon Bankruptcy Court approval of fees.

Total Invoice Amount \$2,492.60

of 9
Summary of Time & Expenses by Staff & by Project

International Heritage Inc

| | | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> | <u>Year</u> |
|-----------------------|--------------|--------------|-------------|----------------|-------------|
| <i>Craig A. Adams</i> | | | | | |
| | | 0.20 | \$185.00 | \$37.00 | 2007 |
| CAA | Total | 0.20 | | \$37.00 | |

| | | | | | |
|---------------------------|--------------|-------------|----------|-------------------|------|
| <i>Kathryn G. Zechman</i> | | | | | |
| | | 1.50 | \$145.00 | \$217.50 | 2006 |
| | | 5.70 | \$150.00 | \$855.00 | 2007 |
| KZ | Total | 7.20 | | \$1,072.50 | |

| | | | | | |
|-----------------------|--------------|-------------|----------|-----------------|------|
| <i>Megan Micheals</i> | | | | | |
| | | 6.70 | \$115.00 | \$770.50 | 2007 |
| MM | Total | 6.70 | | \$770.50 | |

| | | | | | |
|---------------------------|--------------|-------------|----------|-----------------|------|
| <i>Ilona B. Tortorici</i> | | | | | |
| | | 1.80 | \$100.00 | \$180.00 | 2006 |
| IBT | Total | 1.80 | | \$180.00 | |

| | | | | | |
|---------------------|--------------|-------------|---------|---------------|------|
| <i>Angela Allor</i> | | | | | |
| | | 0.10 | \$75.00 | \$7.50 | 2007 |
| AA | Total | 0.10 | | \$7.50 | |

| | | | | | |
|-------------------------|--------------|-------------|---------|-----------------|------|
| <i>Patricia Coggins</i> | | | | | |
| | | 1.30 | \$85.00 | \$110.50 | 2007 |
| TC | Total | 1.30 | | \$110.50 | |

| | | |
|-----------------|--------------|-------------------|
| Subtotal | 17.30 | \$2,178.00 |
|-----------------|--------------|-------------------|

| | |
|----------------|----------|
| Total Expenses | \$314.60 |
|----------------|----------|

| | |
|----------------------------------|-------------------|
| Total Fees & Expenses | \$2,492.60 |
|----------------------------------|-------------------|

| <u>Projects: Type & Year</u> | <u>Hours</u> | <u>Amount</u> | <u>%</u> | <u>Additional Description</u> |
|----------------------------------|--------------|-------------------|---------------|-------------------------------|
| 2006 Tax Rtns: Corporation | 13.40 | 1,698.00 | 78.0% | |
| Consulting | 0.50 | 75.00 | 3.4% | |
| Fee App Exhibits | 0.40 | 405.00 | 18.6% | |
| Totals | 14.30 | \$2,178.00 | 100.0% | |

Prior Invoices

| <u>Date</u> | <u>Period</u> | <u>Services</u> | <u>Expenses</u> | <u>Total Invoice</u> | <u>Amt Unpaid</u> |
|-------------|---------------|-----------------|-----------------|----------------------|-------------------|
|-------------|---------------|-----------------|-----------------|----------------------|-------------------|

of 9
International Heritage Inc

| | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> | <u>Year</u> | |
|--|-----------------|--------------------|--------------------|--------------------|---------------|
| <u>Interim Bill:</u> | | | | | |
| 9/21/1999 | 12/1/99-9/20/99 | \$26,898.50 | \$540.09 | \$27,438.59 | \$0.00 |
| <u>Approved:</u> | 10/25/1999 | \$27,438.59 | | | |
| <u>Interim Bill:</u> | | | | | |
| 8/30/2000 | 9/21/99-8/25/00 | \$9,353.50 | \$750.58 | \$10,104.08 | \$0.00 |
| <u>Approved:</u> | 10/23/2000 | \$10,104.08 | | | |
| <u>Interim Bill:</u> | | | | | |
| 9/20/2001 | 8/26/00-9/19/01 | \$7,874.50 | \$390.64 | \$8,265.14 | \$0.00 |
| <u>Approved:</u> | 10/30/2001 | \$8,265.14 | | | |
| <u>Interim Bill:</u> | | | | | |
| 9/24/2002 | 9/20/01-9/19/02 | \$2,588.50 | \$184.40 | \$2,772.90 | \$0.00 |
| <u>Approved:</u> | 11/7/2002 | \$2,772.90 | | | |
| <u>Interim Bill:</u> | | | | | |
| 4/6/2004 | 9/20/02-4/5/04 | \$3,349.40 | \$364.00 | \$3,713.40 | \$0.00 |
| <u>Approved:</u> | 6/17/2004 | \$3,713.40 | | | |
| <u>Interim Bill:</u> | | | | | |
| 12/11/2006 | 4/6/04-11/30/06 | \$3,840.00 | \$390.30 | \$4,230.30 | \$0.00 |
| <u>Approved:</u> | 1/16/2007 | \$4,230.30 | | | |
| Total Prior Invoices | | \$53,904.40 | \$2,620.01 | \$56,524.41 | \$0.00 |
| <u>Total Prior Invoices Approved:</u> | | | \$56,524.41 | | |

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Client Number: 9002 007
Page: 2

Detail Description:

| Project / Description | Employee | Date | Hours | Rate | Amount |
|--|-----------------|----------|-------|--------|---------|
| BR - Prepare Fee App Exhibits Begin review of WIP descriptions & projects. | Katie Zechman | 12/06/06 | 0.60 | 145.00 | \$87.00 |
| BR - Prepare Fee App Exhibits Complete review of WIP descriptions & projects. | Katie Zechman | 12/07/06 | 0.30 | 145.00 | 43.50 |
| BR - Prepare Fee App Exhibits Begin preparation of interim bill. | Ilona Tortorici | 12/07/06 | 0.70 | 100.00 | 70.00 |
| BR - Prepare Fee App Exhibits Review & finalize interim fee app attachments & time analysis | Katie Zechman | 12/11/06 | 0.60 | 145.00 | 87.00 |
| BR - Prepare Fee App Exhibits Complete preparation of interim billing analysis & attachments. | Ilona Tortorici | 12/11/06 | 1.10 | 100.00 | 110.00 |
| Bankruptcy Consulting Emails w. Jenny re 1998 payroll tax returns | Katie Zechman | 1/25/07 | 0.30 | 150.00 | 45.00 |
| Bankruptcy Consulting Emails w. AA re debtor records available | Katie Zechman | 1/25/07 | 0.20 | 150.00 | 30.00 |
| BR - Prepare Fee App Exhibits Review docket entries. | Angela Allor | 2/08/07 | 0.10 | 75.00 | 7.50 |
| BR - 1120 - 2006 Prepare Federal Extension form 7004 & NC extension form CD-419 for Franchise & Income tax. | Katie Zechman | 3/10/07 | 0.30 | 150.00 | 45.00 |
| BR - 1120 - 2006 Prepare Federal and NC corporate tax returns. | Megan Michaels | 7/25/07 | 0.30 | 115.00 | 34.50 |
| BR - 1120 - 2006 Review docket for entries that may affect taxes. Begin to analyze estate transactions. Begin 505b correspondence, tax return preparation and tax attribute analysis. | Katie Zechman | 7/25/07 | 1.40 | 150.00 | 210.00 |
| BR - 1120 - 2006 Analyze 2006 Trustee transactions. Read motions & orders related to SEC settlement to determine tax consequences of additional funds received in 2006 | Katie Zechman | 7/26/07 | 0.80 | 150.00 | 120.00 |
| BR - 1120 - 2006 Summarize 2006 transactions. Read motions and orders that may have tax consequences. Continue to prepare Federal and NC corporate tax returns. | Megan Michaels | 7/26/07 | 5.20 | 115.00 | 598.00 |

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Page: 3

Detail Description:

| | | | | | |
|---|-------------------|----------|--------|--------|----------|
| BR - 1120 - 2006 Begin to review 2006 Corporate Federal & NC tax returns | Katie Zechman | 8/16/07 | 0.90 | 150.00 | 135.00 |
| BR - 1120 - 2006 Complete preparation of Federal and NC corporate tax returns. | Megan Michaels | 9/06/07 | 1.20 | 115.00 | 138.00 |
| BR - 1120 - 2006 Emails & phone call w. Jenny re documentation for funds received from lawsuit settlement | Katie Zechman | 9/06/07 | 0.20 | 150.00 | 30.00 |
| BR - 1120 - 2006 Continue to review 2006 corporate tax returns | Katie Zechman | 9/06/07 | 0.70 | 150.00 | 105.00 |
| BR - 1120 - 2006 Complete review of 2006 corporate tax returns. | Katie Zechman | 9/06/07 | 0.90 | 150.00 | 135.00 |
| BR - 1120 - 2006 Preparation of documents for taxing authorities related to 2006 tax returns. | Tricia Coggins | 9/07/07 | 0.80 | 85.00 | 68.00 |
| BR - 1120 - 2006 Partner review and sign 2006 Federal and NC corporate income tax returns and attached 505(b) correspondence | Craig Adams | 9/08/07 | 0.20 | 185.00 | 37.00 |
| BR - 1120 - 2006 Ensure trustee signed in all appropriate places. | Tricia Coggins | 9/14/07 | 0.50 | 85.00 | 42.50 |
| Total Services | | | | 17.30 | 2,178.00 |
| BR - Image & Review Document Image and Review Charge | Administrative Ge | 12/07/06 | 130.00 | 1.00 | 130.00 |
| Bankruptcy Consulting PACER charges for 01-01-07 through 01-31-07 | Administrative Ge | 2/13/07 | 1.04 | 1.00 | 1.04 |
| Bankruptcy Consulting PACER charges for 02-01-07 to 02-28-07 | Administrative Ge | 3/15/07 | 2.40 | 1.00 | 2.40 |
| Bankruptcy Consulting PACER charges for 03-01-07 to 03-31-07 | Administrative Ge | 4/26/07 | 0.08 | 1.00 | 0.08 |
| Bankruptcy Consulting PACER charges for 7-1-07 to 7-31-07. | Administrative Ge | 8/13/07 | 4.00 | 1.00 | 4.00 |
| BR - 1120 - 2006 Computer charge 2006 tax returns | Administrative Ge | 9/07/07 | 135.00 | 1.00 | 135.00 |
| BR - 1120 - 2006 | Administrative Ge | 9/07/07 | 17.40 | 1.00 | 17.40 |

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Page: 4

Detail Description:

| | | | | | |
|--|-------------------|---------|-------|-------|-------------------|
| Copies charge 2006 tax returns | | | | | |
| BR - 1120 - 2006 | Administrative Ge | 9/10/07 | 4.60 | 1.00 | 4.60 |
| Priority, Holmes Harden, 2006 tax returns | | | | | |
| BR - 1120 - 2006 | Administrative Ge | 9/14/07 | 18.16 | 1.00 | 18.16 |
| Certified, 2006 tax returns, IRS,OH 5.94, IRS,PA 5.94, NCDOR 6.28 | | | | | |
| Bankruptcy Consulting | Administrative Ge | 9/17/07 | 1.92 | 1.00 | 1.92 |
| PACER charges for 08-01-07 to 08-31-07. | | | | | |
| Total Expenses | | | | | 314.60 |
| Services | | | | | 2,178.00 |
| Expenses | | | | | 314.60 |
| Total | | | | 17.30 | 2,492.60 |
| Total Invoice Amount | | | | | <u>\$2,492.60</u> |

Professional Team at Adams, Martin & Associates PA

Craig A. Adams, CPA

Craig A. Adams* is a Principal in and Founder of Adams, Martin & Associates PA. He graduated in 1979 with a B.A. in Accounting from North Carolina State University. Mr. Adams is a Certified Public Accountant licensed in the State of North Carolina. He has the Series 6 and Series 66 Investment License. He added bankruptcy to the practice in 1987.

Kathryn G. Zechman, MBA, CPA

Kathryn G. Zechman* graduated from the University of Nebraska in 1999 with an M.B.A. and in 1997 with a B.S. in Accounting. She is a Certified Public Accountant licensed to practice in the state of North Carolina. Ms. Zechman has extensive tax knowledge and experience preparing individual, partnership and corporate tax returns. In addition, she has performed audits of banks, small companies and retirement plans.

Megan Micheals, CPA

Megan Michaels* graduated Summa cum Laude from the University of North Carolina at Greensboro in 2001 with a B.S. in Accounting. She is a Certified Public Accountant licensed to practice in North Carolina. Ms. Michaels has experience in corporate and individual taxation. She has worked with a broad range of clients including construction companies, manufacturing companies and service firms.

Ilona B. Tortorici

Ilona B. Tortorici is a paraprofessional working primarily in the bankruptcy department. Ms. Tortorici has worked in various accounting positions since 1979, including owning / managing a business for which she increased revenues / demand to the point of choosing to sell the business instead of opening a second store. She has worked in all aspects of industry accounting, including accounts payable, accounts receivable, general ledger adjustments and account reconciliation, supervisor and customer service.

Angela Allor

Angela Allor graduated from Wake Technical Community College in 2000 with an A.A. Degree in Human Services. Ms. Allor has data processing, database maintenance, report preparation and report analyzing experience.

Patricia Coggins

Patricia Coggins graduated from Salem College in 1975 with a B.A. in History and from Meredith College in 1989 with an M.B.A. Prior to joining the ACG Team in 2000, she represented Ashworth, Inc as an independent contractor in the golf industry. Ms. Coggins has data processing, database maintenance, report preparation, report analyzing, and accounting experience.

* Members of the American Institute of Certified Public Accountants and North Carolina Association of Certified Public Accountants.

STATE OF NORTH CAROLINA

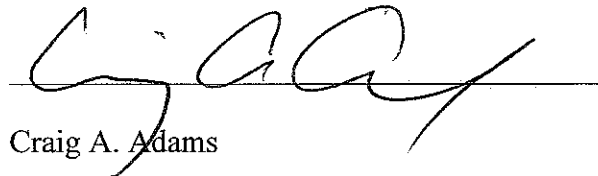
COUNTY OF WAKE

VERIFICATION


Craig A. Adams, being first duly sworn, deposes and says:

That he is the court appointed Certified Public Accountant in the accounting firm of Adams, Martin & Associates PA, the bankruptcy estate's general accountant in this action, and that he has read the foregoing Application for Certified Public Accountant for the Trustee for Interim Allowance of Compensation and Reimbursement of Expenses and prepared the itemization of expenses and detail of services rendered attached to it; that the matters and things alleged therein are true of his own knowledge, except those matters alleged on information and belief and as those he believes the same to be true.

This the 31 day of December 2007.


Craig A. Adams

Sworn to and subscribed before me,
This 31 day of December 2007.


Notary Public

My Commission Expires: 2-14-2012

